

STATE OF WASHINGTON



OFFICE OF
INSURANCE COMMISSIONER

In the Matter of

Woodward Scott Agency, Inc.

Licensee.

) D 04 - 215
)
) STIPULATION AND ORDER
) LEVYING A FINE
)

STIPULATION BY AGENT

Woodward Scott Agency, Inc. (licensee") hereby stipulates to the payment of a fine in the total amount of \$5,000 based on the following facts which are hereby acknowledged. Licensee further stipulates and agrees that it will comply with Washington insurance laws and regulations in the future.

1. Office of Insurance Commissioner (OIC) completed an audit of the licensee's records. During the audit it was found that the licensee failed to affiliate Jem Harrison to the agency and allowed her to conduct business under the agency name. Each transaction was a violation of WAC 284 -17-420 (1), (2), pertaining to appointments and affiliations.
2. The audit found a number of return premiums were owed to consumers due to adjustments, overcharges and cancellations. It was also determined that the licensee failed to keep a record of all premium account transactions. Each transaction was a violation of RCW 48.17.480, pertaining to the reporting and accounting for premiums and RCW 48.17.600, pertaining to the separation of premium funds.
3. The audit found in a number of instances that the licensee collected monies for the placement of insurance but did not place the insurance timely. The licensee added additional fees to the consumer's accounts without providing a written accounting of the charges. Each transaction was a violation of RCW 48.17.270, pertaining to agent-broker combinations, compensation disclosure, and RCW 48.18.180, pertaining to stated premium must include all charges.

The licensee has engaged in practices that are not in accord with the standards set out in the insurance code of Washington. Accordingly, the licensee enters this Stipulation to the following Order voluntarily and with the understanding that such fine is in lieu of any suspension or revocation of the licensee's license for such conduct. The facts described above, and the fact of this stipulation, may be considered by the Commissioner in any future administrative actions regarding licensee.

Signed this _____ day of _____, 2004.

By: _____
Woodward Scott Agency, Inc.
Jeffrey S. Woodward, President

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ORDER

Pursuant to RCW 48.17.560 and the foregoing Stipulation, the Commissioner hereby imposes a fine in the amount of \$5,000 upon Woodward Scott Agency, Inc.

The fine shall be paid in full within 30 days from the date of this Order. Upon failure to pay the fine, the Commissioner will revoke the license of the licensee and the fine will be recoverable in a civil action brought on behalf of the Commissioner by the Attorney General.

ENTERED AT TUMWATER, WASHINGTON, this 10th day of September, 2004.

MIKE KREIDLER
Insurance Commissioner

By

SCOTT JARVIS
Deputy Commissioner

Examiner: Angelina Portacio